



March 5, 1981

ALL-COUNTY INFORMATION NOTICE I-24-81

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: CALIFORNIA RIGHT TO FINANCIAL PRIVACY ACT

REFERENCE:

This is to inform you of the purpose and requirements of the California Right to Financial Privacy Act (Government Code Section 7460-7493, effective 1977), and to provide an example of a consent form that meets the requirements for contacts with banks and other financial institutions.

The purpose of the Act is to clarify and protect the confidential relationship between financial institutions and their customers. It is also to balance a citizen's right to privacy with the governmental need to obtain information for specific purposes. Procedures for obtaining needed information are set forth in the Act.

According to the Act, a state or local agency may obtain financial records or information provided that the financial records are specifically described and are within the scope and requirements of the investigation giving rise to such request, and that the customer has authorized disclosure to the state or local agency. Within 30 days of receiving the financial records or information, the state or local agency must notify the customer in writing that the information was disclosed.

The Act also provides that the form used in obtaining the individual's consent must 1) set forth in the authorization statement the period for which the disclosure is authorized, 2) specify the name of the institution to be contacted, 3) specify the agency to which disclosure is authorized, 4) identify the financial records authorized for disclosure, and 5) notify the individual (applicant or recipient) of his/her right to revoke such authorization at any time, and 6) be signed and dated by the individual (applicant or recipient).

Under current regulations (EAS 40-157.22), the form ABCDM 228 could be used to obtain information from a financial institution. However, the ABCDM 228 does not meet the above requirements of the Act. The Department intends to incorporate the requirements of the Act into the regulations and develop a permanent financial information consent form.

Because a recent fraud case was dismissed in court when an inappropriate consent form was used, you are advised to change your procedures as necessary to meet the requirements of the Act. The attached temporary form, Release of Information - Financial Institutions (TEMP CA 60) has been developed to provide you with a consent form which meets the requirements of the Act. The bottom (tear off) portion of the form is designed to fit a window envelope and to provide the required written notice of disclosure to the applicant/recipient within 30 days of receiving the financial records. Although supplies of this temporary form will not be made available, reproducible copies are attached for those counties that wish to use this form.

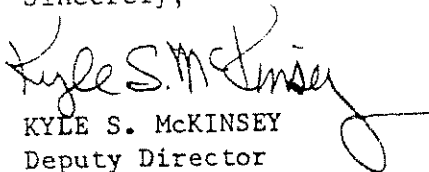
If you have any comments or suggestions for the development of the permanent consent form, please submit them to:

AFDC Forms Coordinator  
AFDC Program Systems Bureau  
744 P Street, M.S. 16-31  
Sacramento, CA 95814

The ABCDM 228 may continue to be used to obtain information that is a matter of public record or when contacting nonfinancial institutions (insurance companies, county assessors, employers, etc.).

If you have any questions regarding the Act requirements or the use of consent forms, please contact your AFDC Program Management Consultant at (916) 445-4458.

Sincerely,

  
KYLE S. MCKINSEY  
Deputy Director

Attachment

cc: CWDA